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C O N F I D E N T I A L SECTION 01 OF 02 TOKYO 002989

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TAGS: PGOV PARM TSPL KNNP ETTC ENRG TRGY IN JA
SUBJECT: A/S BOUCHER'S MAY 30 MEETING WITH MOFA DG NAKANE
ON THE U.S.-INDIA CIVIL NUCLEAR COOPERATION AGREEMENT

Classified By: Ambassador J. Thomas Schieffer for Reasons 1.4 b/d

- 11. (C) Summary. SCA A/S Boucher reviewed for MOFA Arms Control DG Nakane on May 30 the status of the U.S.-India Civil Nuclear Cooperation Agreement. Nakane explained that Japan had not yet determined its position, but that MOFA must be sensitive to the public,s nonproliferation concerns. He also shared Japan,s disappointment that the agreement does not obligate India to more comprehensive disarmament requirements. A/S Boucher stated that the agreement would not encourage India to develop more fissile materials or nuclear weapons. DG Nakane observed that recent statements by India,s defense minister regarding PSI raised doubts about India,s long-term commitment to broader nonproliferation efforts. A/S Boucher assured that Pakistan would not be eligible for a similar agreement because it lacks India,s nonproliferation track record. End summary.
- 12. (C) On May 30, 2006, Assistant Secretary of State for South and Central Asian Affairs Richard Boucher discussed the U.S.-India Civil Nuclear Cooperation Agreement with MOFA Director General for Arms Control, Non-proliferation and Science Ambassador Takeshi Nakane. A/S Boucher told Nakane that the U.S. Congress likely will soon approve the agreement despite a current disagreement on points of procedure. At question is Congress' approval authority; the Bush Administration will likely concede a second approval to Congress as long as it is a Fast Track approval.
- 13. (C) The U.S. already has submitted to India a proposed draft of a formal U.S.) India bilateral agreement on civil nuclear cooperation, Boucher explained. India has responded with some constructive comments, indicating there is ample room to work out differences about the agreement, A/S Boucher said. IAEA Director General ElBaradei has told the U.S. that he supports civil nuclear cooperation with India and does not expect any major obstacles in reaching a safeguards agreement with India, according to A/S Boucher. Also, although the U.S. is not expecting any sort of decisions on the agreement to come out of this week's Nuclear Suppliers Group (NSG)

meetings in Brasilia, India is in the process of answering questions posed by various NSG members, particularly regarding the details of India's negotiations with the IAEA.

- ¶4. (C) Japan had not yet determined its position on the U.S.-India Civil Nuclear Cooperation Agreement, Nakane stressed, adding that Japan understands India,s growing strategic importance and appreciates its need for greater energy resources. However, Japan cannot overlook the possibility that the agreement may have a negative impact on the credibility of the Non-proliferation Treaty regime, he stated. Nakane also pointed out that negative criticism of the agreement in the Japanese press has required MOFA to approach the issue with sensitivity to the public's concerns about nonproliferation. Responding to a comment that onlookers might perceive differences in approaches with India and Iran as being discriminatory, A/S Boucher said that India should be treated differently than Iran ) or North Korea —because its behavior has been fundamentally different.
- 15. (C) Nakane noted Japan's disappointment that the agreement does not obligate India to more comprehensive disarmament requirements. The NSG is a consensus-based group and certain members, particularly those of the New Agenda Coalition, view including disarmament provisions in the civil nuclear cooperation agreement as vital, according to Nakane. A/S Boucher responded that the agreement will result neither in India developing more fissile materials or nuclear weapons nor a nuclear arms race in South Asia. India has a track record of comments indicating its preference for eventual disarmament. Also, the United States has a firm commitment from India to adhere to a moratorium on nuclear testing; the

TOKYO 00002989 002 OF 002

- U.S. hopes to include this commitment in its own domestic legislation, in its proposal to the NSG, and in its bilateral agreement with India. A/S Boucher noted that the opposition BJP is opposed to this commitment, arguing it is more binding than the Comprehensive Test Ban Treaty and handcuffs India,s military application interests.
- 16. (C) During May 1 discussions in New Delhi with Indian Ministry of External Affairs Joint Secretary for Disarmament and International Security Hamid Ali Rao, Japan urged India to become a formal active participant in the Proliferation Security Initiative (PSI), Nakane said. India told Japan that it supports the PSI in principle and is actively studying India's participation. However, the Indian Defense Minister Mukherjee said during a recent visit to Tokyo that India has no interest in PSI, raising doubts about India's long-term commitment to broader nonproliferation efforts, Nakane stated.
- 17. (C) Responding to Nakane's question about Pakistan's reported expectation of concluding a similar agreement with the United States on nuclear cooperation, A/S Boucher argued that the U.S. has told Pakistan in no uncertain terms that it is not eligible nor is it likely to become eligible for a similar agreement. India has a solid track record on nonproliferation that Pakistan lacks, he said. A/S Boucher noted that Pakistan has said privately that it has no interest in an arms race with India.
- $\P8$ . (U) A/S Boucher cleared this message. SCHIEFFER